THE CUSTOMS AREAS OF THE WORLD

(Memorandum prepared by the Secretary-General)

1. At its eighth session the Commission examined a preliminary list of customs areas summarizing official information from countries, and adopted the following resolution (E/2569, para. 18):

"The Statistical Commission

"Invites the Secretary-General to revise the summary of official definitions of customs areas for use in external trade statistics, taking account of the observations made by members of the Commission in the course of the discussion on this subject, and to circulate it to Member Governments with a view to obtaining comments and views before preparing the list for publication."

2. A list (E/CN.3/L.35), incorporating the revisions suggested by members of the Commission, has been circulated to Governments for comments. Several Governments have already suggested further changes but a number of Governments have not yet commented. A copy of the list (E/CN.3/L.35) in the form in which it was originally sent to Governments has been distributed for the information of the Commission. The necessary changes will be made and a final list will be prepared when a greater number of Governments have had time to comment on the draft list.

3. Paragraph 6 of the document contains a draft definition of the term customs area as follows:

"In this paper the customs area is, for statistical purposes, taken to mean the area in respect of which the customs exercises control of the entry of foreign goods."

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In order to improve the comparability of the statistics of trading partners the Economic and Social Council had requested each Government

"in compiling trade-by-country statistics to use, as far as it is able, as the definition of the territory with which it has traded the definition of that territory for customs purposes provided by the Government concerned." 1/

The draft definition is intended to emphasize the essential connexion between control by customs and the collection of statistical data. Countries and specialized agencies were asked to provide comments on the draft definition for submission to the ninth session of the Commission. On the basis of these comments, the following modification of the definition is offered for the consideration of the Commission:

"A customs area is, for statistical purposes, taken to mean the area in respect of which a single customs administration 2/ exercises control over the entry 3/ of foreign goods."

4. In order to avoid putting on the users of their free ports and free zones a burden of providing detailed information, most countries do not attempt to keep a full statistical record of goods moving through these areas. Hence, exports to and imports from the free areas of a country may appear in the statistics of its trading partner countries without being recorded in the statistics of the country itself. 4/ The Commission may wish to consider whether the collection of fuller statistics for the movement of goods through free areas might not be feasible, without increasing the burden on users of the areas, through the use of a document which would accompany goods moving in external trade and which would be valid in

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1/ The resolution is quoted in full in paragraph 2 of E/CN.3/L.35.

2/ When two or more states have a customs union, their customs administrations are, for the purposes of this definition, considered to form a single administration.

3/ In general, control of exports is maintained in respect of the same area as control of imports. If in a country there is an area in respect of which exports but not imports are controlled, the area should be included in the customs area of the country.

4/ National customs officials control free areas (unless they are exclaves or enclaves). In general, therefore, the free areas within the geographical area of a country are also within its customs area.
all countries through which the goods may pass. The problem of devising suitable
document forms was touched on, in connexion with the determination of the country
of provenance of imports, in paragraph 21 of the paper entitled "External Trade
Statistics" (E/CN.3/199), also before this session of the Commission.
5. The Commission may wish to suggest to Governments a standard definition of
customs area. The Commission may also wish to recommend that the Secretary-
General study methods of collecting fuller statistics of the movement of goods
through free ports and free zones without increasing the burden on the users of
these areas.